GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1835
ANSWERED ON:08.03.2016
Reforms in PDS
Bhabhor Shri Jasvantsinh Sumanbhai;Biju Shri Parayamparanbil Kuttappan;Chandrappa Shri B.N.;Chavan Shri Ashok Shankarrao;Choudhary Shri Ram Tahal;Gaikwad Dr. Sunil Baliram;Giluwa Shri Laxman;Gupta Shri Sudheer;Innocent Shri ;Jayavardhan Dr. Jayakumar;Kesineni Shri Srinivas;Kirtikar Shri Gajanan Chandrakant;Mahato Shri Bidyut Baran;Muddahanumegowda Shri S.P.;Patel Shri Prahlad Singh;Patil Shri Sanjay(Kaka) Ramchandra;Pradhan Shri Nagendra Kumar;Premachandran Shri N.K.;Raut Shri Vinayak Bhaurao;S.R. Shri Vijay Kumar;Shewale Shri Rahul Ramesh;Shinde Dr. Shrikant Eknath;Singh Shri Kunwar Haribansh;Tharoor Dr. Shashi

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the number of cards issued, those linked to Aadhaar, quantum of foodgrains allocated and lost due to leakages in Public Distribution System (PDS) during the last three years along with the corrective steps taken to make the system more transparent and leak proof;
(b) whether the Shanta Kumar Committee has made recommendation for improvement in PDS, if so, the details thereof;
(c) whether the Government has introduced reforms in PDS in the country and if so, the details thereof; and
(d) whether the Government has installed Point of Sale Devices to keep the electronic record of the allocation to the beneficiaries and if so, the number of Fair Price Shops provided with this facility?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)
(a): Targeted Public Distribution System (TPDS) is operated under the joint responsibilities of the Central and the State/Union Territory Governments wherein operational responsibilities of identification of eligible beneficiaries under NFSA/TPDS and issuance of ration cards to them rests with the concerned State/UT Govts. As per the information available with the Department, there are 24.19 crore ration cards under NFSA/TPDS in the country and out of which 10.83 crore ration cards have been linked with Aadhaar. State/UT wise statement on number of ration cards and Aadhar seeding therein is placed at Annex-I. As regards allocation of foodgrains to States/UTs during last 3 years, a statement is placed at Annex-II. The quantum of foodgrains lost due to leakages in PDS is not maintained at the Central level as the supervision over monitoring of functioning of Fair Price Shops rest with the concerned State/UT Govts.
(b): The Shanta Kumar Committee has inter-alia made some recommendations for improvement in PDS. Department had taken appropriate steps on the following recommendations:-
(i) GoI should defer implementation of NFSA in States that have not done End-to-end computerization, have not put list of beneficiaries online for anyone to verify and have not setup vigilance committees to check pilferage from PDS − Government has made all States and Union Territories aware about NFSA and asked to implement it, so that leakage in the PDS can be reduced.
(ii) NFSA/TPDS Beneficiaries are given 6 month ration immediately after the procurement season − Department has issued instructions for release of foodgrains upto 6 months requirement at a time.
(iii) Gradual introduction of cash transfer in PDS − Under NFSA, DBT for foodgrains has been launched in 3 UTs namely Chandigarh, Puducherry and Dadra & Nagar Haveli.
(iv) One of its recommendations relating to NFSA, the Committee has suggested changes in beneficiary entitlement (increasing to 7 Kg), population coverage (limited to 40%) and linking issue price to MSP. However, there is no proposal to make amendments in the NFSA, 2013.
(c): Government has taken various steps in implementation of the TPDS in States/UTs for better targeting of food subsidies, removing bogus ration cards, ensuring timely availability of foodgrains, check on leakage/diversion of food grains, introducing public accountability etc. The National Food Security Act (NFSA), 2013 prescribed essential reforms
...3/-
...3...
in the PDS. Govt. has taken up with States/UTs for implementing measures such as door-step delivery of foodgrains, correct identification of beneficiaries, improve foodgrains off take, monitoring and vigilance, improving viability of fair price shop operations. The PDS (C) Order, 2001 as well as the TPDS (C) Order, 2015 empower State Govts. to take all necessary steps for ensuring smooth implementation of TPDS so that the subsidized food grains reach the intended beneficiaries. As part of efforts being made for modernization of Targeted Public Distribution System (TPDS), Department of Food and Public Distribution is implementing a Plan Scheme on End-to-end Computerization of TPDS Operations during 12th Five Year Plan (2012-17). Following are the key activities under the scheme, Digitization of Beneficiary Database, Computerisation of Supply Chain Management, and setting up of Grievance Redressal Mechanisms and Transparency Portal. Besides, for checking leakages & diversion in PDS, Direct Benefit Transfer (DBT) has been introduced in 3 UTs on pilot basis namely Chandigarh & Puducherry w.e.f. 1-9-15 and partial areas of Dadra & Nagar Haveli w.e.f. 1-3-2016 after their consent as per 'Cash Transfer of Food Subsidy Rules, 2015' which was notified on 21.08.2015 under the National Food Security Act, 2013.
(d): Fair Price Shop (FPS) automation involves, installation of Point of Sale (PoS) devices at FPS for authentication of beneficiaries, recording of sales to beneficiaries at the FPS; and uploading of transaction data in central server. In this regard, necessary guidelines have been shared with all States/UTs on 11.11.2014 which were prepared in consultation with NIC, Department of Electronics & Information Technology (DeitY) and Unique Identification Authority of India (UIDAI). As regards financial assistance, Government has

approved FPS dealers' margins (@ Rs. 87/qtl.) under NFSA which also includes reimbursement of Rs. 17/qtl. for their expenditure towards purchase and operations of the PoS/Mobile Tablet device at the FPS for automation. So far, more than 82,000 FPSs have been automated across the country.

****